GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:1458
ANSWERED ON:27.11.2002
REVENUE SHARE IN PRIVATE TELEPHONE OPERATIONS
M.H. AMBAREESH;NAWAL KISHORE RAI;SUSHIL KUMAR INDORA

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Government had given permission to the telephone operators in the private sector on the basis of licence fee, initially;

(b) if so, whether is has now been introduced, by marking changes in the above system to share the revenue;

(c) if so, the percentage of Government`s share fixed in the revenue share;

(d) whether it is proposed to be increased from 1.5% to 3%; and

(e) if so, the facts in this regard and the time by which it is likely to be implemented?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRIMATI S MAHAJAN)

(a) to (c) Sir, upto 31.07.1999 the licence fee for the main Telecom Services, viz., Cellular Mobile Telephone Service and Basic Telephone Service was based on the amounts quoted by them in the open bidding process for grant of licence. Thereafter, with effect from 1.8.1999 the Operators were migrated to revenue sharing regime. At present, the licence fee for Cellular and Basic Telephone Operators for Category `A`, `B` & `C` Service Areas is 12%, 10% and 8% of Adjusted Gross Revenue (AGR) respectively, apart from separate charges for use of wireless frequency spectrum.

(d) At present, there is no proposal for increasing the licence fee.

(e) Does not arise in view of (d) above.